FCMAT
FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

Los Banos Unified School District

Transportation Services Review

January 22, 2009

Joel D. Montero
Chief Executive Officer

FCMAT
FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM
CSIS California School Information Services

January 22, 2009

Steve Tietjen, Superintendent
Los Banos Unified School District
1717 S. Eleventh Street
Los Banos, California 93635-4800

Dear Superintendent Tietjen,

In September 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for a transportation services review with the Los Banos Unified School District. The request specified that FCMAT would:

1. Conduct a review of the district's transportation program and provide recommendations for improvements in the following areas:

   Routing methodology
   Vehicle maintenance
   Bell schedules
   Changes to school calendars, including MTYRE, traditional, single-track YRE, and modified traditional
   Fiscal and operational efficiency

The attached final report contains the study team's findings with regard to the above areas of review. We appreciate the opportunity to serve you, and we extend our thanks to all the staff of the Los BanosUnified School District.

Sincerely,

Joel Montero
Chief Executive Officer

FCMAT
Joel D. Montero, Chief Executive Officer
1300 17th Street - City Centre, Bakersfield, CA 93301-4533 • Telephone 661-636-4611 • Fax 661-636-4647
422 Petaluma Blvd North, Suite. C, Petaluma, CA 94952 • Telephone: 707-775-2850 • Fax: 707-775-2854 • www.fcmat.org
Administrative Agent: Larry E. Reider - Office of Kern County Superintendent of Schools

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Foreword

FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

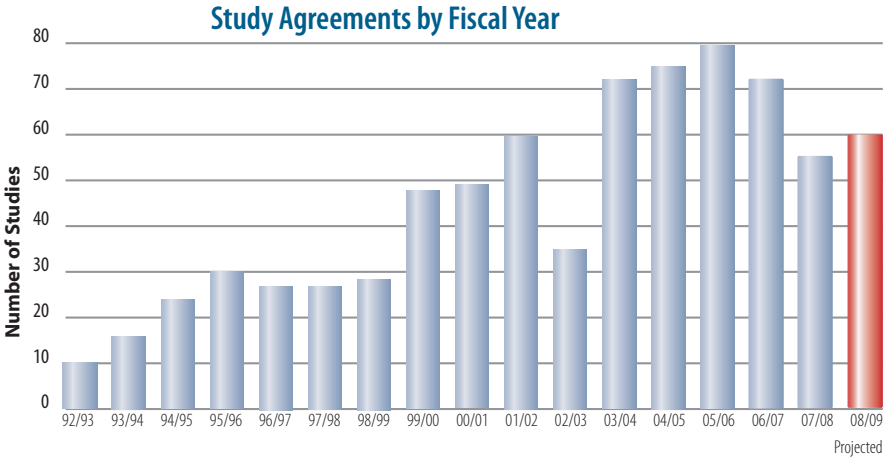
Since 1992, FCMAT has been engaged to perform nearly 700 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Total Number of Studies..... 711
Total Number of Districts in CA..... 982

- Management Assistance..... 675 (94.9%)
- Fiscal Crisis/Emergency 36 (5.1%)

Note: Some districts had multiple studies.
- Districts (7) that have received emergency loans from the state.

(Rev. 7/30/08)



Introduction

The Los Banos Unified School District, located in Merced County, encompasses approximately 270 square miles of ranch and farmland and the city of Los Banos. Los Banos is bisected by State Highway 152 and is approximately eight miles east of Interstate 5 in the Central Valley. Los Banos USD reports an enrollment of 8,948 students for the 2007-08 school year attending seven elementary schools, one middle school, one high school, one continuation school and one community day school. The district had experienced regular growth in the recent past, but currently is seeing its first decline in enrollment in quite some time. The district utilizes a multi-track, year-round schedule at five elementary schools and one secondary school to maximize school-site use.

In August 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the district for a transportation review. The study agreement specifies that FCMAT will complete the following:

1. Conduct a review of the district's transportation program and provide recommendations for improvements in the following areas:

   Routing methodology
   Vehicle maintenance
   Bell schedules
   Changes to school calendars, including MTYRE, traditional, single-track YRE, and modified traditional
   Fiscal and operational efficiency

Study Guidelines

FCMAT visited the district on October 27-29, 2008, to observe and evaluate the district's school transportation program and operation. This report is the result of those activities and is divided into the following sections:

- Executive Summary
- Fiscal Analysis
- Staffing
- Routing and Scheduling
- Vehicle Maintenance and Shop Operations

Study Team

The FCMAT study team was composed of the following members:

Don Fowler
Retired Administrator
Kern County Superintendent of Schools
Bakersfield, California

Michael Rea*
Executive Director
West County Transportation Agency
Santa Rosa, California

Laura Haywood
Public Information Specialist
Fiscal Crisis and Management
Assistance Team
Bakersfield, California

*As a member of this study team, this consultant was not representing his employer but was working solely as an independent contractor for FCMAT.

Executive Summary

The Los Banos Unified School District receives a higher than average transportation apportionment from the state because of the level at which its transportation funding was capped in 1982-83. The district's general fund contribution to transportation in 2007-08 constituted approximately 51% of the total transportation budget, as compared to the statewide average district contribution of 55%. A reduced transportation budget for 2008-09 indicates that the district expects to reduce its costs. The budget should be monitored to ensure that it meets the needs of the department, especially in view of the current economy market and unstable fuel costs.

The district's $5.49 cost per mile for transportation operations is comparable to other districts in the state with similar-size service areas and mileage.

Charging fees for bus transportation services does not seem feasible for the district because a high percentage of students qualify for free or reduced price meals. Districts are able to charge up to the maximum level approved by the California Department of Education, which was $8.06 per daily round trip as of August 2008. Returning the district from a year-round to a traditional school calendar would reduce transportation costs considerably, but could make it much more difficult to recruit and retain bus drivers because they would likely have fewer opportunities for full-time work. Some savings could be realized by adjusting the Wednesday early-release schedule. The bus schedules are efficient, and adjusting school site bell times is not likely to increase their efficiency.

Department staffing provides adequate coverage for the bus routes. The Transportation Manager works to ensure that all drivers are occupied with ancillary tasks when they are not driving a route. Dispatch duties are adequately covered as well. An employee who is qualified to provide additional driver instruction would help to ensure that a comprehensive driver training program is in place in the event that driver turnover increases or the Transportation Manager is unavailable to conduct training for a period of time.

Driver training records are well-organized and compliant with state Education Code. The responsibilities of the Lead Driver need to be clarified in terms of what level of driver training this individual is qualified to provide. Several job descriptions in the department are unused. The district should determine whether there is still a need for these classifications, and should update the requirements listed in all transportation job descriptions in accordance with current collective bargaining agreements.

Home-to-school transportation is provided on 17 routes, nine of which include mid-day kindergarten routes. There is an additional afternoon route and door-to-door service for approximately 40 special education students on two small-bus routes. The district does not adhere to strictly defined attendance areas, so the routes are designed around a primary transfer point at Los Banos Elementary School. Manual routing works well for the

district and a computerized routing system appears unnecessary. Walking distances are typical and appear to adhere to district policy. Ridership has decreased over the past three years, but it does not appear that any routes could be eliminated or further consolidated. Field trips are well-managed.

The Merced County Office of Education currently transports Los Banos USD's special education students who attend Merced COE classes at district sites. The district may want to inquire whether the Merced COE would agree to transfer a portion of its state transportation apportionment to the district if the district were to transport these students. This could result in a savings for the district. If the Merced COE would not transfer a sufficient portion of that funding, there would be no financial advantage for the district.

The district consistently receives the highest rating from the California Highway Patrol Motor Carrier Division for its bus driver and vehicle maintenance records. Additional information that would benefit the management of vehicle maintenance should be included in the records. This can be accomplished using a simple database.

The maintenance shop is large and fairly functional for the number of buses and size of the district. More complicated repair work is outsourced. The department maintains 27 school buses, seven non-school-bus automobiles assigned to the department, and 38 other vehicles for various other departments. The exterior appearance of the buses is poor because of faded paint, although significant efforts are made to keep the buses clean.

The district's bus replacement policy has not been followed, which is common across the state as school districts struggle to prioritize their resources. Bus replacement grants through the local air quality district may be available to help purchase new buses, and the district should explore this opportunity.

There is no fueling station at the transportation facility. The district has considered and should continue to explore developing an MOT facility on district-owned property.

Fiscal Analysis

The district received a school transportation apportionment of $969,911 from the state in the 2007-08 fiscal year. The actual transportation expense was $2,074,158.19. The district's general fund contribution was $1,065,472, or approximately 51% of the transportation budget.

The district receives slightly more than the statewide average school transportation apportionment. The current statewide average apportionment is 45% of the total reported costs, with school districts funding the remaining 55% from unrestricted sources in the general fund. Before 1977, the state fully reimbursed school districts for their reported home-to-school transportation costs. Between 1977 and 1982 the reimbursement percentage was gradually reduced. In the 1982-83 school year, the state capped the amount that school districts received at their reported level. Since that time, districts in California have received that capped amount. Occasionally the state has applied a cost-of-living adjustment to that amount if funding is available. As school transportation costs have increased, the state funding covers less and less of school districts' actual transportation costs. This funding formula also does not account for population growth in a school district that increases the need for transportation service. If districts spend less than their apportionment, the apportionment is decreased to match the need.

The 2006-07 TRAN reports a cost per mile of $4.82 and a cost per student of $933.71. The 2007-08 TRAN reports a cost per mile of $5.49 and a cost per pupil of $977.91. For a district of this geography, with a relatively compact service area and relatively low mileage, these numbers appear comparable to similar districts.

In review of the district's Comparative Budget Report covering the years 2007-08 and 2008-09, it appears that the district has reduced the 2008-09 transportation department budget compared to the prior year particularly with regard to overtime, parts and fuel. There have not been any service reductions for this year, so it is likely that these categories could exceed their budgeted amounts.

Strategies to Reduce Transportation Costs

Because the state does not fully fund school transportation operational costs, many school districts explore strategies to reduce their service and costs. One such strategy is to expand the areas that are not served by district transportation to reduce service requirements.

Some school districts charge fees for home-to-school transportation to offset costs. In 1992 the California Supreme Court ruled that charging fees for home-to-school transportation was permissible and did not violate the constitutional requirement for free schools. The state publishes a maximum level of fees that changes over time ($8.06 per daily

round trip as of August 2008), and free transportation must be made available for indigent students. However, many school districts do not charge fees, primarily because the cost of administering the program exceeds the amounts collected. Most districts in the central valley do not charge fees because they have a high level of students who qualify for free or reduced price meals. Most districts utilize the same criteria for free or reduced price bus passes. Approximately 45% of the district's students qualify for free or reduced price meals.

Returning to a traditional school calendar also would reduce transportation costs considerably. Most of the bus drivers work eight hours per day, 12 months per year. A traditional 180-day school year would result in 62 fewer school days. The 12-month bus drivers work 167 hours in total per day, or 10,354 hours in those 62 days. Assuming that all drivers are on Step 1 plus 33% for salary-driven benefits, a driver's cost equates to $16.30 per hour. Thus, the savings would be approximately $168,770 for those 62 days.

Estimating $2.50 per mile as a typical bus operating cost with a total of 62,938 miles over the 62 days (377,628 total annual miles divided by the total number of operational days or approximately 1,015 miles per day), the potential savings is $157,345. Together with the decreased salary cost, this could create a savings of $326,115. This is a conservative estimate.

It should be noted that if the district returned to a traditional school schedule and reduced driver work days and hours, it would likely be much more difficult to recruit and retain drivers. This has been a key issue for school districts in California and across the nation for several decades. The availability of full-time, year-round positions with benefits in a rural area is a key factor in the district's success with driver retention.

The Wednesday Focus on Achievement (FOA) schedule requires the Transportation Department to pay overtime to run more routes than on a regular school day. An in-house review suggested that having all schools start at regular time in the morning and dismiss an hour earlier would be more cost effective. The review estimated the savings to be approximately $12,000 in salary and benefit costs and $10,000 in fuel costs annually. FCMAT believes this estimate may be conservative or low, and the district may want to review this option more thoroughly.

Students from throughout the district may attend any school in the district, particularly if the school in their area is overcrowded. Transportation is provided for these students. If the district had strict attendance boundaries for elementary schools, transportation savings would be likely.

The bus schedules are efficient and it does not appear that changing or adjusting school bell times would create any additional efficiency. As reported above, schools have adult supervision available up to an hour before bell time and the bus schedules utilize this to maximize their efficiency.

Recommendations

The district should:

1. Monitor the 2008-09 home-to-school transportation budget to ensure it meets the needs of the department.
2. Explore one or more of the above strategies to reduce transportation costs.

Staffing

The Transportation Department has the following positions and staff:

Position	Hours per Day	Months per Year	Number of Staff in Position
Driver	8	12	15
Driver	6	12	2
Driver	5	12	1
Driver	5	10	1
Driver*	3	12	2
Dispatcher	8	12	1
Head Mechanic	8	12	1
Mechanic/Driver	8	12	2
Transportation Manager	8	12	1

*** Afternoon only. One driver has an assigned afternoon route, the other is a floater; both are called first to substitute for AM routes.**

There appears to be adequate driver coverage for the bus routes. Many of the routes are less than eight hours per day. The drivers are responsible for inspecting their bus in the morning, cleaning and washing their bus, and doing all of the seat repairs for their assigned bus. They are also responsible for fueling their bus at a local card-lock fuel station. The Transportation Manager endeavors to ensure that drivers fulfill all of these obligations and engage in other work-related tasks during their scheduled hours.

One of the drivers is responsible for a mid-day mail route for the district, delivering mail between sites. Another driver is responsible for the food service deliveries between sites. A third driver has the position of Lead Driver and assists in the office.

Many school districts do not allow bus drivers to take vacation time during the regular school year, paying the drivers in lieu of vacation time. Bus drivers traditionally do not work during winter break, spring break and the summer. This is not possible at Los Banos USD because of the multi-track, year-round schedule, so the drivers take vacation time or earned compensatory time off when school is in session. The department maintains strict control of days off to ensure that all route and field trip obligations are fulfilled.

The Mechanic/Bus Drivers do not substitute on school bus routes very often. If they did, this practice might need to be re-evaluated, as it could seriously affect quality bus and vehicle maintenance time.

The Dispatcher routes and schedules all bus routes, ensures all assignments are covered for the day, and answers telephone and two-way radio calls. In the early morning a driver covers some of the dispatch duties, and in the afternoon a mechanic covers some of the dispatch duties when the Dispatcher is not on duty, ensuring telephone and radio coverage throughout the span of a normal operating day.

The Transportation Manager is the only state-certified school bus driver instructor for the department. He appears to be a knowledgeable and capable instructor. He is familiar with the laws and regulations governing school transportation in California, and the district appears to be in compliance with them. However, the lack of an additional driver instructor on staff is of some concern. Currently, some of the Transportation Manager's time is spent conducting training programs for new and existing drivers. Because there is little driver turnover, he can devote the necessary time for this. If there were ever higher driver turnover it could become difficult for the manager to devote the time necessary to maintain a comprehensive training program.

A review of the driver training records revealed a very organized and regulation-compliant system. School bus driver training records must use common forms and must follow specific protocol. The district's records appear to be compliant in all aspects and are very neat and well-organized. Bus drivers are involved in very few school bus accidents, indicating that the district has a sound training program.

Currently the job description for the Lead Driver includes an "Example of Duties" to "Assist in the behind-the-wheel training program for bus drivers in training and in service training of existing school bus drivers." The job description, however, does not include a requirement for the proper certification to train behind the wheel. The Lead Driver has been the incumbent for approximately four years. There has been some confusion as to whether or not this individual can provide the training, what certification is necessary or if the Lead Driver wants to provide behind the wheel training. This confusion over the responsibilities of the Lead Driver should be clarified.

There are two separate certifications that can allow an individual to train school bus drivers behind the wheel. One is a school bus driver instructor certification that is awarded to successful students who attend the California Department of Education's instructor training program. The CDE also awards a certification referred to as a delegated behind-the-wheel instructor. This instructor is only able to train behind the wheel (the other can provide classroom training and in-service as well), and does so under the direction of a school bus driver instructor. Currently, the only legally permissible behind-the-wheel training the Lead Driver can perform is driver proficiencies in compliance with 13 CCR 1229. No certification is required for this type of training.

The district has several adopted classifications that are not in use. There are job descriptions for Bus Driver/Trainer, Assistant Bus Driver/Trainer, Mechanic Helper and

Head Custodian/Bus Driver that are reportedly not used. The district should determine the need for these job classifications and should also update its job descriptions to include physical requirements and other necessary job requirements in accordance with current collective bargaining agreements.

It would be preferable for the district to have a bus driver/trainer who drives a route and fills the middle part of the day with driver training duties. This would provide the necessary redundancy and ensure that the district has a school bus driver instructor on staff if the Transportation Manager is unavailable for an extended period of time.

Overall, the staffing is adequate for an operation of this size.

Recommendations

The district should:

1. Consider the need for another driver instructor on staff.
2. Review, evaluate and update all transportation department job descriptions to ensure that they are necessary, include all requirements of the job and are updated to current standards.

Routing and Scheduling

The district provides home-to-school transportation service on 17 routes. Nine of these routes also have mid-day kindergarten routes that pick up students for afternoon sessions and take students home from morning sessions. There is also one additional afternoon-only big-bus route. In addition the district provides home-to-school, door-to-door service for approximately 40 special education students on two small-bus routes. These students' individualized education plans require transportation as a related service. They reside in the district and attend programs at district schools.

The bus routing is very responsive to the district's needs. The district utilizes a multi-track, year-round schedule. Unlike traditional school calendars that operate for 180 days of instruction, the district has schools in session throughout the school year, with only a two-week winter break and approximately a one-week break at the end of June. Most bus drivers are employed on a 12-month basis. The district has a short-day schedule on Wednesdays for teacher in-service and planning purposes. These are called FOA (focus on achievement) days. On these days the high school students come to school later in the day and are dismissed at regular time. The middle school and elementary school students come to school at the regular time, but are dismissed earlier. Bus routing must accommodate this minimum-day schedule. In addition, when one of the tracks is at the end of a session, the last day is a minimum day (just for that track) and requires additional transportation. Students throughout the district may attend any elementary school in the district (primarily related to class size balancing and overcrowding), rather than adhering to strictly defined attendance areas. This requires the Transportation Department to create routes that can pick up students anywhere in the district and transport students to any school. This is accomplished with a primary bus transfer point at Los Banos Elementary School.

The bus routing appears to follow generally accepted methodologies utilized by school districts throughout California. Each route consists of more than one run in the morning and afternoon, indicating high bus utilization. On average, each route transports 123 students. The district is able to accomplish this with a high level of cooperation from the schools, allowing buses to drop off as much as an hour prior to bell time. Bus routing is done manually and efficiently. Some school districts purchase and utilize computerized bus routing systems, which often are labor-intensive and costly. The Los Banos USD would not benefit from such a system.

Board policy indicates a service area for students in the following grade levels that reside beyond the following distances:

- Grades K-3: Three-quarters of a mile
- Grades 4-8: One mile
- Grades 9-12: Two miles

It appears that the routes adhere to the distances stated in the policy.

Bus ridership has been declining over the past three years. In 2005-06 the district's TRAN reported 3,100 student passengers. In 2006-07 there were 2,049 passengers and in 2007-08 there were 2,121. The routes have not substantially changed, indicating even higher bus utilization in the past. It does not, however, appear that the routes can be further consolidated or that any routes can be eliminated given the current requirements and parameters for service.

Dispatch

The district uses a two-way radio system for communication between buses and the dispatch office. This type of system is common for school districts because it is reliable and relatively inexpensive. The dispatch office employs a daily log as well as a white board to display and record the routes, assigned buses, regular or substitute drivers, the trips for the day and any other necessary activity.

The district has negotiated a field trip assignment system with its CSEA unit that is creative, fair and universally accepted. Field trip assignments often can be a hot-button topic for school bus drivers. It is rare to find a district where this is not an issue. The system in place at Los Banos USD rotates trips among drivers and balances the hours out over time. Most school districts employing a similar system will balance hours over one school year and then start over for the next year. Los Banos USD continues to balance the hours out over several years. This unique feature creates a higher level of fairness that is not usually found in most school district field trip assignment procedures.

As noted previously, the Dispatcher does all of the routing and scheduling by hand. Drivers keep the dispatcher informed of any route changes or amendments. The Lead Driver also assists in maintaining the bus routes. The routes are kept in a Microsoft Word format and can be easily updated.

The Transportation Department performs most of the duties related to the bus student discipline system. Drivers issue bus misconduct reports (citations or tickets) for violations of expected behavior on school buses. The driver determines the level of discipline, and either the driver or the Dispatcher contacts the parents. School officials are usually only involved in complicated cases. In many school districts the driver writes the misconduct report, but school officials counsel the student and issue the discipline. The system in place at Los Banos USD relieves the school officials from this often time-consuming responsibility.

The dispatch office also is responsible for receiving all field trip and athletic trip requests (approximately 700 trips a year). Most trips are scheduled on district buses; very few are chartered on tour buses (special groups that require such buses, or if scheduling conflicts cannot accommodate a school bus). The dispatch office also coordinates the use of

district automobiles and minivans that are requested by teachers or coaches and used for small groups or small teams. A driver who is fulfilling time requirements usually assists in coordinating automobile and minivan use.

The department evaluates and keeps DMV Pull Notice reports for all teachers and coaches who drive district vehicles. The Pull Notice is the driving record for that individual. In addition, the district receives an annual report regarding any activity on the record, such as moving violations, license class changes or accidents.

School bus drivers are required to be in compliance with federal drug and alcohol testing rules. Although this requirement is not adopted by most school districts for teachers and coaches who drive students in district vehicles, it is one that the district should consider. In addition, it may be beneficial for these teachers and coaches to attend a defensive driving course.

Special Education Transportation

The district transports approximately 40 special education students that live in the district and attend programs in the district. Some special education students ride on regular big-bus routes.

The Merced County Office of Education transports approximately 80 students who reside in the district and are transported to Merced COE classes located in the district. Approximately 10 other students are transported to classes further away in Atwater, Merced or other communities on Merced COE buses. The reported special education transportation excess cost that Merced COE charges Los Banos USD is approximately $240,000 per year.

Special education transportation can present thorny and complex logistical issues. Currently, the district transports its special education students that have the least restrictive and thus least expensive transportation requirements. The district should study the feasibility of taking responsibility for transporting its students who attend Merced COE classes at district schools. It likely would be too costly for the district to transport the students who attend programs outside the district.

The district would need to receive a fair share of the state transportation apportionment to enable it to take responsibility for transporting district students to Merced COE classes located on district campuses. Absent that, it most likely would not make sense for the district to take on this responsibility.

Recommendations

The district should:

1. Evaluate the necessity and feasibility of providing defensive driving training for teachers and coaches who drive students in district vehicles. Consider requiring these drivers to be included in the drug and alcohol testing program.
2. Evaluate the fiscal and operational feasibility of taking responsibility for transporting special education students who attend Merced COE classes at district sites.

Vehicle Maintenance and Shop Operations

The California Highway Patrol Motor Carrier Division annually inspects school buses, bus driver training records, vehicle maintenance records and bus driver drug and alcohol testing records. They produce a report called a Terminal Grade. The Los Banos Unified School District historically has received the highest grade, which is a Satisfactory.

The district's vehicle maintenance records are compliant with all laws and regulations. They do not, however, provide easily accessible management information. For example, if an engine has had some repair, the notation in the records briefly describes what was done and the date it occurred. It does not record the amount of labor hours it took to do the job or the parts necessary and their cost. Also, there is no work order system or readily available history of bus maintenance.

These types of data can provide invaluable information for the department and district to make decisions, predict component failure on certain types of vehicles, determine when to replace vehicles and assess the productivity of mechanics. This can be easily accomplished by moving to a work order system that tracks this information for every job and provides a simple database that can be sorted by bus. There are commercially available systems, but the same information can be obtained with a simply created database. The work orders would be filed by date in separate files for each bus or vehicle.

The shop is big and relatively functional. Hand tools are owned by the district and assigned to each mechanic. There is a parts storage room that has a small inventory of frequently used belts, hoses and other small parts. The department outsources more complicated and larger jobs. This is a common practice in the school transportation industry.

Vehicle Fleet

The bus fleet consists of 27 school buses. There are seven non-school bus automobiles assigned to the Transportation Department that are used for transporting small student groups or teams. Thirty-eight other vehicles are operated by the district for the Grounds and Maintenance departments, Instructional Services Department and administrators. The Transportation Department provides the maintenance service for these vehicles.

Despite a concerted effort by the Transportation Manager and the bus drivers to wash and clean buses, the exterior bus condition is poor. Some buses exhibit minor body damage. Most buses seem to have the original paint that has faded over time. Many buses have lettering that is worn or faded. In some cases lettering looks like it has been repainted by hand in-house. School buses represent the district and the community and often travel to other communities for athletic contests and field trips. Most school districts prefer buses that look good and represent the district well. Of course, it is expensive to maintain and paint a bus. A complete paint job may cost as much as $8,000.

The district has a board policy that discusses replacement parameters for vehicles that transport students and staff (75,000 miles or five years), but that policy has not been followed. That is not unusual, as school districts statewide are struggling to prioritize resources for academic purposes.

Nevertheless, it is important for the district to plan for reasonable intervals for school bus replacement and the replacement of other vehicles that transport students. The California Association of School Business Officials' School Transportation Performance Profile recommends a 20-year life-cycle replacement schedule. The district should apply for bus replacement grants through the local air quality district and other sources as they become available.

Facility

The district rents space for maintenance, operations, grounds keeping and transportation at Meza Brothers Trucking, a local trucking company in Los Banos. It appears that the trucking company built a facility intending growth, or its larger operation decreased in size. The company has excess space and charges the district $100,000 per year for use of offices, shop, storage and parking space. The facility is large and spacious and rivals anything the study team has seen at other school districts of a similar size. The Director of Maintenance, Operations and Transportation reported that the district is in compliance with all hazardous waste and storm water runoff requirements.

There is no fueling capability at this site. Drivers must go to a local card lock fuel station. The district is exploring the feasibility of developing an above-ground fuel system at this site.

There is an in-ground bus lift that is located at the old bus shop at one of the school sites. Mechanics can use that lift if necessary.

There was discussion that the district may develop an MOT facility on district-owned property.

Recommendations

The district should:

1. Establish a work order system for bus maintenance and record-keeping that includes a description of the repair, the parts used and their cost, and the mechanic time spent on each job. Develop a simple database to record this data. File work orders by bus or vehicle.
2. Budget for bus body work, paint and lettering.

3. Develop and fund a bus replacement schedule or aggressively pursue bus replacement grants.
4. Explore the fiscal and operational feasibility of developing an MOT facility on district-owned property.

Appendices

Appendix A - Study Agreement

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
August 29, 2008

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Los Banos Unified School District, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Los Banos Unified School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

1) Conduct a review of the District's Transportation program and provide recommendations for improvements in the following areas:

Routing methodology
Vehicle maintenance
Bell Schedules
Changes to school calendars, including MTYRE, Traditional, Single Track YRE, and modified Traditional.
Fiscal and operational efficiency

B. Services and Products to be Provided

1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and staff on the procedures of the Team and on the purpose and schedule of the study.

2) On-site Review - The Team will conduct on-site meetings at the District

office to gather documentation and conduct interviews. The Team will request assistance from the District in setting up interview schedules with staff.

3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site reviews to inform the District representatives of significant findings and recommendations to that point.

4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.

5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.

6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.

7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no costs. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

A. One FCMAT Staff
B. Two FCMAT Transportation Consultants

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

A. $500.00 per day for each Team Member, while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.

B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A, the total cost of the study is estimated at $9,000. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District.

C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools-Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

A. The District will provide office and conference room space while on-site reviews are in progress.

B. The District will provide the following (if requested):

1) A map of the local area
2) Existing policies, regulations and prior reports addressing the study request
3) Current organizational charts
4) Current and four (4) prior year's audit reports
5) Any documents requested on a supplemental listing

C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with District pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones:

Orientation:	to be determined
Staff Interviews:	(Estimated as 2.5 days during week of Oct 13 or Oct 27)
Exit Interviews:	to be determined
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	If requested

7. CONTACT PERSON

Please print name of contact person: Dean Bubar, Assistant Superintendent of Administrative Services

Telephone 209 826-3801 FAX 209 826-6810

Internet Address DBubar@losbanosusd.k12.ca.us

9.12.08

Steve Tietjen, Superintendent
Los Banos Unified School District

Date

Barbara Dean

September 3, 2008

Barbara Dean, Deputy Administrative Officer
Fiscal Crisis and Management Assistance Team

Date

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report.